

PROJECT AIR FORCE

RESEARCH B R I E F

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Adopting New Procurement Methods in the U.S. Air Force

What Skills and Training Are Needed?

he U.S. Air Force is adopting widely accepted commercial "best practices" to change the way it purchases goods and services, with the goals of reducing costs and improving performance to better support its missions. Part of this effort involves the implementation of *commodity councils*—teams of technical experts and other stakeholders from different parts of the Air Force who develop corporate-wide strategies for purchasing specific categories of commodities such as medical supplies or computers. This practice is intended to replace the *functionally oriented* approach in which consumers, commodity specialists, and procurement professionals work largely in isolation from each other and execute specific purchases rather than taking into account demands across the Air Force. Commodity councils will enable the Air Force to leverage its purchasing power and to manage its contracts more effectively.

Implementing commodity councils requires a transformation in the Air Force's procurement workforce. A study of commercial sector experiences with commodity councils conducted by RAND Project AIR FORCE (PAF) suggests that commodity councils require members who possess a wide range of skills, including the ability to use computers, teaming/interpersonal skills, business skills such as creative problem solving, core purchasing and supply-management skills such as cost analysis, analytical and technical skills such as statistical analysis, and contracting skills. PAF analyzed procurement training programs in the Air Force and the commercial sector to determine how the Air Force can best prepare its personnel to adopt new purchasing practices. Major findings include the following:

- Air Force personnel require additional training to develop the skills needed for commodity councils. Current curricula in the Defense Acquisition University and the Air Force Institute of Technology do not appear to cover the full range of required skills. To remedy these gaps, the Air Force should offer new and improved courses and should increase opportunities for professionals to attend. The Air Force should incorporate early implementation lessons to refine the list of necessary skills and continue to improve its training curricula as commodity councils become more widespread. As an alternative to developing additional "in-house" training, the Air Force may take advantage of existing courses that are used by well-respected commercial purchasing and supply-management organizations.
- There is no "silver bullet" template for procurement training. Different types of training are appropriate for developing different levels of expertise. Approaches may range from structured classroom or web-based learning to formal on-the-job training and mentoring programs. Successful training programs tend to be multifunctional, involving personnel with diverse backgrounds that are relevant to new practices. The Air Force should consider developing multiple tiers of instruction and a variety of approaches to accommodate individual students' initial competency and the desired level of mastery.
- Effective metrics link training to practices and outcomes. The Air Force needs metrics to monitor how changes in procurement training improve the overall purchasing and supply-management system. Appropriate metrics should measure progress at four levels: contract performance and cost, success at implementing purchasing and supply-management activities, individual personnel's mastery of desired skills, and specific training outcomes.

These insights should enable the Air Force to grow the skills needed to adopt new procurement practices, thereby improving the cost and performance of contracted goods and services.

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